

By: Averitt

S.B. No. 1449

A BILL TO BE ENTITLED

1 AN ACT

2 relating to requiring public retirement systems periodically to
3 submit an asset and liability study to the Pension Review Board.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 801.201(b), Government Code, is amended
6 to read as follows:

7 (b) For the purpose of performing its duties under Section
8 801.202(1) or (2) or Section 801.2025, the board by rule may require
9 clarification of information provided by a public retirement system
10 in a report that is required by law and is required to be filed with
11 the board. A rule adopted under this subsection may not be enforced
12 against a public retirement system if compliance with the rule
13 would cause the system to incur a major expense.

14 SECTION 2. Subchapter C, Chapter 801, Government Code, is
15 amended by adding Section 801.2025 to read as follows:

16 Sec. 801.2025. ASSET AND LIABILITY STUDY REQUIRED. The
17 board by rule shall require each public retirement system to submit
18 to the board, not less than quarterly, an asset and liability study
19 that contains:

20 (1) a liability payment schedule of projected annual
21 benefit payments;

22 (2) disclosure, weighted by present dollar values, of
23 the growth rate of liabilities for the year to date, the average
24 duration of the liabilities, and the average yield on the

1 liabilities;

2 (3) a listing of asset classes priced at present
3 market values;

4 (4) a calculation of a funding ratio at present market
5 values; and

6 (5) a comparison of asset growth rate minus liability
7 growth rate for the year to date.

8 SECTION 3. This Act takes effect September 1, 2005.